Financial package for textiles and garment sector

†3167. SHRI GOPALSINH G. SOLANKI: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have recommended any financial package for the textile and garment sector;

(b) if so, the State-wise details of the package and its likely cost; and

(c) by when the recommended package is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR): (a) to (c) The Textile Package as announced by the Government in the Union Budget for 2000-01 is for the whole country and is not State-wise. The provisions regarding duties and taxes contained in the package are in implementation with effect from the date on which the Budget came into force. The Package is meant to stimulate the growth of and investment in the textile industry. The Package includes duty concession and reliefs, higher allocation to important schemes and the announcement of new programmes. The main points include—

- Reduction in the basic customs duty on specified textile machines including shuttleless looms from 15 per cent to 5 per cent;
- Discontinuation of surcharge of 10 per cent;
- Accelerated depreciation at the rate of 50 per cent on machinery and plants purchased under TUFS, in order to encourage investments in the weaving, processing and garment sectors.
- Provision of Rs. 10 crore for the year 2001-02 for a scheme for setting up of Integrated Apparel Parks to enable dereserved readymade garment industry to come up with modern units with the best infrastructure;
- Emphasising funding from the Technology Upgradation Fund Scheme for at least 50,000 shuttleless new looms and modernization of 2.5 lakh plain looms to automatic looms by 2004;
- Enhancement of allocation under Technology Upgradation Fund Scheme to Rs. 2200 crore from Rs. 50 crore prevailing then;
- Substantial increase in the Budget allocation for the Ministry of Textiles from Rs. 457 crore in 2000-01 to Rs. 650 crore in 2001-02.

†Original notice of the question was received in Hindi.